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U.S. Department of State
Attn: Genevieve Walker, NEPA Coordinator
2201 C Street NW, Room 2726
Washington, DC 20520
keystonecomments@state.gov

**RE: Comments on Draft Supplemental Environmental Impact Statement (SEIS) for
Keystone XL Project**

Dear Ms. Walker:

I am writing on behalf of the American Rental Association (ARA). ARA has more than 4,700 members throughout the United States and Canada representing an industry with more than \$32 billion in revenues in 2012. ARA members rent heavy equipment and tools that are used on construction and industrial sites. ARA supports approval of the Keystone XL project because it will provide jobs for our members as well as many others in the construction trades that have been so hard hit by the continuing economic downturn.

I would like to commend the State Department for executing a thorough and transparent Draft SEIS for the Keystone XL project. In this latest iteration, the State Department again concludes that the Keystone XL project will have minimal environmental impact due to extensive mitigation efforts to be undertaken by TransCanada. I now urge the State Department to finalize the SEIS expeditiously in order to complete a second National Interest Determination. Swift action now will allow this vital infrastructure project to move forward after four years of extensive study.

As I have mentioned, Keystone XL will be critical to improving American energy security and boosting our economy. As the draft SEIS outlines, the project will support over 42,100 jobs during the construction phase and will generate over \$5 billion in economic activity, including \$2.05 billion in worker salaries. For local governments along the pipeline corridor, \$65 million in tax revenue will help fund necessary infrastructure projects, education and medical services. These promising economic impacts do not even account for the significant benefits that American businesses and drivers will see thanks to an increase in safe, abundant supplies of crude oil to fuel the economy.

As discussed in this draft SEIS, the project offers the most efficient, safest and least intrusive method for transporting Canadian and Bakken crude to markets in the Gulf Coast region. Alternative transport methods – namely rail and barge – will require significantly more displacement of land and result in greater energy use and carbon emissions. Furthermore, the likelihood of an incident leading to a release or spill of crude oil is much lower for pipelines than other transport methods. For all these reasons, pipelines carry nearly two-thirds of the oil and petroleum products transported domestically.

However, the draft SEIS concludes that rail and barge alternatives are still economically viable given the strong demand for heavy crude amongst Gulf refineries. Even with these less attractive alternatives, rejecting Keystone XL will not eliminate the demand for heavy oil transport. Nor will rejecting the project deter the production of Canadian oil sands.

With an additional 57 mitigation measures, Keystone XL is still the smartest choice. By supporting domestic production and oil imports from our ally Canada, instead of politically unstable countries, we will strengthen both our national security and energy security. Access to affordable, stable supplies of petroleum remains one of the most vital components for a growing economy.

In closing, ARA believes that construction of the Keystone XL pipeline is in the best interest of all Americans. We respectfully request that the State Department expeditiously finalize the Draft SEIS and ultimately grant TransCanada the Presidential Permit necessary to begin building the pipeline.

Sincerely,

A handwritten signature in black ink, reading "John W. McClelland". The signature is fluid and cursive, with the first name "John" and last name "McClelland" clearly legible.

John McClelland, Ph.D.
Vice President, Government Affairs
American Rental Association